GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:669
ANSWERED ON:12.05.2000
CLOSURE OF JUTE ORGANISATION
DALPAT SINGH PARASTE;JAI PRAKASH

Will the Minister of TEXTILES be pleased to state:

(a) whether Indian jute industry is facing problems due to closure of International Jute Organisation located at Dhaka in the national capital of Bangladesh;

(b) if so, the details thereof;

(c) the losses being suffered by India on account of this;

(d) whether the Government are making any efforts for its revival;

(e) if not, whether the Government have initated any move to float a new and alternative forum with the help of any other jute producing country; and

(f) if so, the outcome of the said move?

Answer

MINISTER OF TEXTILES

(SHRI KASHIRAM RANA)

(a) to (f): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (f) of Lok Sabha Starred Question No. 669 for answer on 12.5.2000

(a), (b) and (c): The International Agreement on Jute and Jute products 1989 was valid upto 12th April 2000.The provisions of the Agreement demanded that a successor agreement be negotiated before the expiry of the present agreement. European Union and its member countries declined to participate in the meeting convened by UNCTAD in March 2000 to negotiate a successor agreement.

Though a successor agreement was negotiated with the active participation of India, the present agreement could not be extended due to objections from the European Union and its member countries. Though, technically, the International Jute Organisation(IJO) has entered into a phase of liquidation, efforts are being made by member countries to agree upon an alternative format of International Co-operation in Jute and Jute Products.The liquidation phase extends upto a period of 18 months. A Special Session of the International Jute Council has been proposed in the last week of June 2000 to try and arrive at an acceptable format of International Co-operation.

In view of above, the question of Indian jute industry facing problems and losses due to the `closure` of International Jute Organisation does not arise at present.

(d) India has been playing a leading role in the effort to revive the International Jute Organisation ever since India rejoined this organisation in December 1999. India took the initiative in drafting a revised agreement and also made efforts to finalise a negotiated agreement in the UN conference on Jute and Jute products which concluded in Dhaka on 8 April 2000.

(e) & (f): In view of the Special Session of the International Jute Council convened during the last week of June 2000, there is no proposal to float any separate forum. The effort is to achieve a consensus on the format of the agreement acceptable to majority of the jute exporting and importing countries.